



DIAMOND FOODS COMPLETES ACQUISITION OF KETTLE FOODS

San Francisco, Calif. (March 31, 2010) – [Diamond Foods](#), Inc. (NASDAQ: DMND) announced that it has completed its acquisition of Kettle Foods from Lion Capital LLP effective today.

Under the terms of the agreement, Diamond paid \$615 million in cash for Kettle Foods. The transaction was funded by the net proceeds from Diamond's recent common stock offering, borrowings under a new five-year \$600M credit facility and existing cash resources.

“The addition of Kettle Foods greatly strengthens our presence in the snack market, and we are proud to officially welcome them to our family of brands,” said Michael J. Mendes, Chairman, President and CEO of Diamond Foods. “Kettle has been an innovator in the premium natural potato chip category and is a brand which has demonstrated strong growth. We look forward to investing in the Kettle brand to further build its footprint and foster long-term success.”

About Diamond

[Diamond Foods](#) is a high-growth innovative packaged food company focused on building, acquiring and energizing brands including [Kettle®](#) Chips and [Kettle Brand®](#) Chips, [Emerald®](#) snack nuts, [Pop Secret®](#) popcorn, and [Diamond of California®](#) culinary and snack nuts. The Company's products are distributed in a wide range of stores where snacks and culinary nuts are sold.

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Consumer Web Sites: www.kettlefoods.com, www.kettlefoods.co.uk,
www.emeraldnuts.com, www.popsecret.com, www.diamondnuts.com,
www.feedyourfingers.com, and www.underdogbracket.com